

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD
AMENDED SUPPLEMENTAL ORDER REGARDING
ELECTIONS, UNIT: P-35
(herein "Subject Drilling Unit")

DOCKET NUMBER VGOB-91/05/21-0119

REPORT OF BOARD

FINDINGS AND ORDER

1. This Amended Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of § 7.C of the Virginia Gas and Oil Board Regulations, VR 480-05.22.2 by supplementing the Order previously issued by the Board for subject Docket on May 31, 1991 and recorded at Deed Book 375, Page 473 in the office of the Clerk of South Grundy District, Buchanan County, Virginia on June 19, 1991(herein "Board Order"), and the Supplemental Order issued by the Board on August 31, 1993, and recorded at Deed Book 413, Page 199 in the Clerk's office, to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a). The Board Order directed OXY USA, Inc., (herein the "Designated Operator"), to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by said Board Order;

(b). The Designated Operator filed its affidavit of mailing dated July 16, 1991, disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

(c). The Board Order required each respondent whose interests, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order, the Designated Operator has filed its affidavit dated May 5, 1993, in accordance with § 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), subsequently amended by an amended affidavit dated October 6, 1993 and duly filed in accordance with the aforementioned regulations, wherein it has, for each Respondent whose interests, if any, were pooled by

said Board Order, stated" (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d). The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit A.

(e). Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, VA 24651, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1993.

3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Tazewell National Bank, P. O. Box 909, Tazewell, VA 24651, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten(10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.

5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED THIS 3rd DAY OF January, 1994
by a majority of the Virginia Gas and Oil Board.

Benny R. Wampler
Chairman Benny R. Wampler

DONE AND EXECUTED THIS 3rd DAY OF January, 1994
by Order of this Board.

Byron Thomas Fulmer
Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 3rd day of January, 1994,
personally before me a notary public in and for the Commonwealth of
Virginia, appeared Benny Wampler, being duly sworn did depose and say that
he is Chairman of the Virginia Gas and Oil Board, that he executed the same
and was authorized to do so.

Susan G. Garrett
Susan G. Garrett, Notary Public

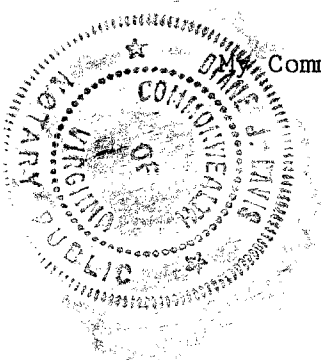
My Commission Expires 7/31/94

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 3rd day of January, 1994,
personally before me a notary public in and for the Commonwealth of
Virginia, appeared Byron Thomas Fulmer, being duly sworn did depose and say
that he is Principal Executive to the Staff of the Virginia Gas and Oil
Board, that he executed the same and was authorized to do so.

Diane J. Davis
Diane J. Davis, Notary Public

Commission Expires 9/30/97



VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Buchanan Production Company for Forced Pooling of Interests in Unit Number P-35, VGOB Docket No. 0521-119 in the South Grundy District of Buchanan County, Virginia.

AMENDED AFFIDAVIT OF CONSOL, INC. (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Consol, Inc., the Designated Operator, at its office located at P.O. Box 947 Bluefield, Virginia 24605, that your Affiant is the Designated Operator, and is authorized for give this Affidavit in its behalf;
2. That the Order entered on May 31, 1991, by the Virginia Gas and Oil Board regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, your Affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that annexed hereto and incorporated herein are copies of the letters of transmittal, receipts for certified mail, and return receipts pertaining to said mailing;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on May 31, 1991.
5. That the Designated Operator, Consol, Inc., has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

Edwards & Harding Petroleum Co. - carried interest
P.O. Box 2404
Abingdon, VA 24210
6. That the interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

Reserve Coal Properties Co.
c/o Consolidation Coal Co.
Consol Plaza
1800 Washington Road
Pittsburgh, PA 15241

$1/8 \times 1.8 / 80 = 0.28125$ - conflicting claim

Edwards & Harding Petroleum Co.
P.O. Box 2404
Abingdon, VA 24210

$1.8 \text{ ac.} / 80 \times 7/8 = 1.9688\%$ - carried interest

Ronald A. Clyborne, et us
11201 Whitcomb Pl.
Woodway, WA 98020-7212

$1/8 \times 1.8 / 80 = 0.28125$ - conflicting claim

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interests and/or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

James W. Harman, Jr., Esq.
P.O. Box 88
Tazewell, VA 24651

not an owner by court order

Tract J.H. Franks

Franks Estate
c/o J.C. Franks
621 Peavler Street
Marion, VA 24354

$1/8 \times 1.8 = 0.28125$
deemed leased - fee owners - pay direct

Estil Franks, Estate
c/o Bessie Franks
411 South 10th Street
Livingstown, MT 59047

deemed leased - fee owners - pay direct
(Franks Estate)

Garrett K. Franks
P.O. Box 3054
Center Line, MI 48015

deemed leased - fee owners - pay direct
(Franks Estate)

Ruth F. Officer
1472 Magellan Circle
Orlando, FL 32818

deemed leased - fee owners - pay direct
(Franks Estate)

Harvey H. Franks
Rt. 1 Box 2437
Berryville, VA 22611

deemed leased - fee owners - pay direct
(Franks Estate)

Dorothy Casteel
Rt. 3 Box 175
Pikeville, TN 37367

deemed leased - fee owners - pay direct
(Franks Estate)

Carl F. Metcalf 1115 Smith Street Bedford, VA 24523	deemed leased - fee owners - pay direct (Franks Estate)
Clell W. Metcalf Box 224 Loyall, KY 40854	deemed leased - fee owners - pay direct (Franks Estate)
Evelyn Wright Rt. 1 Box 490 Coeburn, VA 24230	deemed leased - fee owners - pay direct (Franks Estate)
Charles R. Arthur 1214 Oakwood Street Bedford, VA 24523	deemed leased - fee owners - pay direct (Franks Estate)
T.J. Bondurant Box 758 Lebanon, VA 24266	deemed leased - fee owners - pay direct (Franks Estate)
G.R.C. Stuart (d.b.a. Intermont Land Co.) The Bank Main Street Abingdon, VA 24210	deemed leased - fee owners - pay direct (Franks Estate)
William W. Eskridge (d.b.a. Intermont Land Co.) Westwood Estates Abingdon, VA 24210	deemed leased - fee owners - pay direct (Franks Estate)
James P. Jones (d.b.a. Intermont Land Co.) 107 Hillside Drive Abingdon, VA 24210	deemed leased - fee owners - pay direct (Franks Estate)
John H. Hemmings (d.b.a. Intermont Land Co.) Crestview Drive Abingdon, VA 24210	deemed leased - fee owners - pay direct (Franks Estate)
Stephen M. Hodges (d.b.a. Intermont Land Co.) 237 Mason Place Abingdon, VA 24210	deemed leased - fee owners - pay direct (Franks Estate)
Linda Schrack, individually and Co-Executive of the Estate of Nermal Whited 1180 West Cook Road Mansfield, OH 44906	deemed leased - fee owners - pay direct (Franks Estate)

M. Sue Snyder
1308 Pinar Dr.
Orlando, FL 32825

deemed leased - fee owners - pay direct
(Franks Estate)

Laura L. Galvan
4060 Gigraltar Dr.
Freemont, CA 94536

deemed leased - fee owners - pay direct
(Franks Estate)

Matti J. Schmidt
2019 Bentbrook Dr.
Champaign, IL 61821

deemed leased - fee owners - pay direct
(Franks Estate)

William H. Whited
4711 4th St. W.
Lehigh Acres, FL 33936

deemed leased - fee owners - pay direct
(Franks Estate)

Robert T. Whited
Rt. 2, 13951 Bell Road
Wisconsin Rapids, WI 54494

deemed leased - fee owners - pay direct
(Franks Estate)

Earl May
3003 Forsythia
Billings, MT 59102

deemed leased - fee owners - pay direct
(Franks Estate)

Freda Meister
2111 Pueblo Drive
Billings, MT 59102

deemed leased - fee owners - pay direct
(Franks Estate)

Wanda Rose
234 Grandview Drive
Wise, VA 24293

deemed leased - fee owners - pay direct
(Franks Estate)

Mona Wicks
2820 Lyndale
Billings, MT 59102

deemed leased - fee owners - pay direct
(Franks Estate)

8. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.:

Dated at Bluefield, Virginia, this 6th day of October, 1993.

Leslie K. Arrington, Jr.
Affiant

Taken, subscribed and sworn to before me by Leslie K. Arrington, the Permit Specialist, of Consol, Inc., a corporation, on behalf of the corporation, this 6th day of October 1993.

My commission expires: November 30, 1995

Sherri R. Scott
Notary

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 7th day of January 19 94 at 12:38 P. M.
Deed Book No. 417 and Page No. 333 TESTE: James M. Beyins, Jr., Clerk
Returned this date to; Dept of Mineral TESTE: [Signature] Deputy Clerk
Abingdon, Va. 24210

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CLERK'S OFFICE CIRCUIT COURT
BUCHANAN COUNTY, VIRGINIA
Filed and admitted to record
this 14th day of Jan 1994
at 12:38 o'clock P.M.
Recorded Used Book _____ Page _____
039 State Tax _____
213 County Tax _____
212 Transfer 17.00
301 Recording _____
038 State Tax _____
220 Local Tax _____
145 VSIF 1.00
Total 18.00
Teste James M. Bevins, Jr., Clerk
By JB D.C.

Department of Mines, Minerals and Energy
POST OFFICE BOX 1416 • 230 CHARWOOD DRIVE
ABINGDON, VIRGINIA 24210